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TAGS: [AORC](#) [PREL](#) [PARM](#) [MNUC](#) [TRGY](#) [IAEA](#) [JA](#) [SF](#)  
SUBJECT: IAEA/DG: AMANO DOES NOT THE WEOG

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Classified By: Ambassador Gregory L. Schulte for reasons 1.4 b and d

Summary and Comment

1. (C) Japanese Governor and IAEA DG candidate Yukiya Amano gave a proficient but uninspiring performance in his campaign pitch to a friendly Western Europe and Others Group (WEOG) audience on January 8. Amano provided short and informed responses on an array of policy and management issues, but failed to demonstrate the leadership acumen or presentational abilities that rival DG candidate South African Governor Abdul Minty exhibited in his December 1st meeting with WEOG (ref b). Notably, this was the first time since entering the DG race that Amano engaged on the substance of directing the IAEA, rather than presenting his personal qualifications. Much of the questioning focused on management and budget issues, which came across as Amano's strong points. Amano provided cautious, general and predictable responses on policy questions regarding political divisions in the Agency; Board oversight of the TC program; Reliable Access to Nuclear Fuel; strengthening safeguards and disarmament issues. Amano stressed that he sought a broad mandate with support across regional groups (not just the WEOG), and pledged not to seek a third term as Director General. Most of the WEOG Board members present seemed receptive to Amano's candidacy with Australia the most forward leaning in commending his leadership in the Asia Pacific region. However, his performance at this WEOG "job interview" was unlikely to persuade anyone who was not already in his favor. The Geneva Group has also invited both Minty and Amano to address management issues at an Ambassadorial-level meeting in early February. End Summary and Comment.

Amano's Pitch

2. (SBU) Amano presented his vision for running the IAEA to WEOG Ambassadors, beginning with his firm commitment to nuclear nonproliferation. This was borne on a personal level from the legacy of Hiroshima and Nagasaki, where, Amano noted, he had attended annual commemorative visits in his capacity as DG for Non-Proliferation at the Japanese MFA. Amano also accorded high priority to science and technology as the IAEA was best placed to facilitate cooperation between developed and developing countries. He suggested the appointment of a Scientific Advisor to the DG and the use of the Scientific Forum on the margins of the GC to discuss technical issues such as cancer therapy.

3. (SBU) Amano stressed good management of the Agency as the responsibility of the DG, and cited the need for: better communication with Member States; opportunities for women and the younger generation in the Secretariat; and a "field-oriented" approach. Recognizing that the IAEA operated under heavy financial restraints, he committed to

use resources efficiently and effectively. Amano noted that the basic objectives of the IAEA, non-proliferation and peaceful use of nuclear technology, remained unchanged, and should be pursued in a "balanced manner." He also enumerated the challenges facing the Agency: strengthening safeguards, including universal application of the AP; nuclear verification in Iran and the DPRK; the nuclear renaissance; fuel assurances, and nuclear terrorism, among others.

14. (SBU) Amano hoped to be elected by consensus or by a large majority so that he may have a strong mandate as DG. He also pledged not to seek a third term. At the end of the meeting with WEOG, Amano reiterated that he sought support across regional groups, stressing that in discharging his functions as DG, he would not represent any one region, group or country.

20/20, Management and Budget  
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15. (SBU) Sweden opened the questioning, asking about the role of the DG with respect to the "20/20 process" on the Agency's future. Amano characterized the 20/20 report as important "food for thought," but acknowledged divergences of views on its key recommendations. He welcomed the forthcoming open-ended working group discussion on the Agency's future and would follow developments. Amano did not provide any specifics on what he envisioned as the DG's role in shaping this debate.

16. (SBU) Taking note of Japan's rigid approach to the IAEA budget, Greece asked whether this would be a disadvantage to Amano's candidacy, or if his election would encourage Tokyo to be more generous. Amano stressed that he would be elected as an individual, not as a representative of Japan, and as a DG candidate acknowledged that the practice of zero nominal growth, favored by Japan, left the Agency with insufficient resources. A balance must be struck between the needs of the Agency and Member States' capacity to contribute, which was probably more in line with zero real growth. Even that would be difficult under current economic conditions, he noted, and probably still not sufficient to meet the Agency's needs. He supported effective use of management tools, voluntary contributions and enlarged partnerships. The Belgian WEOG Chair quipped that if elected, Amano would be the first DG in the Agency's history to support "zero growth." New Zealand further observed that budget constraints may indicate a need to reprioritize the Agency's activities. Unlike Toyota, Amano noted the Agency cannot just cut production, given that 70 percent of the budget goes to human resources. Change would come slower than in a private company, he added, but can be accomplished with the cooperation of Member States. He focused on the approximately 900 Agency positions that are currently under staggered, seven-year contracts as an annual opportunity to reassess the IAEA's project activities and skill sets.

7.(SBU) Speaking to Amano's strengths, Ambassador Schulte focused on good management practice and UN whistleblower protections, which the U.S. had supported in a statement to the September Board of Governors. Reading from a prepared script, Amano underlined the importance of maintaining the Agency's credibility and professional discipline. He commended the IAEA's November rollout of its ethics policy, and supported the adoption of management instruments widely applied in the UN system.

18. (SBU) France also asked about streamlining IAEA management and internal communication. Amano agreed on the need to improve communication both internally, across departments and between the working level and senior management, and with Member States. He cited the example of the Safeguards Analytical Lab (SAL) recounting that it took three years for issues he had heard from the working level at SAL to filter up to senior management in the Safeguards Department.

Policy Issues  
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¶9. (SBU) As much as one would prefer the IAEA to be a technical agency, Switzerland took note of the increasing polarization on the Board and North-South confrontation over the Iran nuclear program, in particular. Amano agreed that the work of the IAEA was technical in nature but also sometimes had serious political implications. For this reason, he opined, the DG should have diplomatic experience as well as technical expertise. Amano affirmed he was prepared to take leadership of the Agency, ensuring the interests of all Member States while exercising his functions in a professional and impartial manner under the authority of the Board.

¶10. (SBU) Finland requested clarification from Amano as to what constituted "balance" with respect to TC, and questioned the role of the Board in its oversight of the TC program (in light of the "political" discussions in the last TACC.) Amano clarified that by "balance" he meant all areas were important and that he would run the Agency taking account of them, but he did not support a one-to-one correlation between potential increases in TC funding and those in other programmatic areas. As to the Board's involvement in the TC program, Amano characterized the Syria issue in the last TACC as "unchartered waters," and supported the compromise in the Chair's Summary. In a broader sense, however, the TC program should be governed by technical considerations absent new guidance from the Board.

¶11. (SBU) Germany asked how Amano would propose to strengthen safeguards through the Additional Protocol and additional measures in light of NAM reservations and divergent views on the Board. Amano pledged strong support of the AP, and suggested that efforts be geared toward explaining the enormous benefits of the AP in lending international credibility to a country's nuclear program, and providing assistance with implementation. He had adopted such an approach in the Asian Senior-level Talks on Nonproliferation in explaining Japan's experience to other countries. Japan had also invited Iran to discuss AP implementation, after which Iran had begun to implement the AP before reneging.

¶13. (SBU) In reply to a UK question, Amano supported multilateral approaches to the nuclear fuel cycle, which he characterized as a complicated and long-term issue. He noted that it was natural for countries embarking on the nuclear renaissance to have concerns about disruption of supply. Amano acknowledged there are divergent views among Member States about the IAEA cooperating in a fuel assurance mechanism; that some states may need more time and explanation, and that buy-in from potential recipients was crucial. As DG he would pursue discussions in a transparent manner in order to come to an agreement.

¶12. (SBU) Asked by the UK about the relationship between disarmament issues and the IAEA's core mandate, Amano observed that he had been working on disarmament longer than nonproliferation, and noted his personal belief that disarmament underpins confidence in the NPT regime. However, he stressed the linkage between disarmament and nonproliferation was indirect. The IAEA could become involved in disarmament through safeguards, e.g. if it were requested to implement the safeguards element of a disarmament agreement, but could not replace the Committee on Disarmament or other appropriate fora.

Comment  
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¶13. (SBU) Although Amano suffered from his lackluster presentational style, his performance was better than many expected. Rather than focusing on his biography as he did in his official promotional materials, Amano steered his remarks usefully toward the substantive challenges that the next Director General will inherit. That said, his performance at this WEOG "job interview" was unlikely to persuade anyone who was not already in his favor.  
SCHULTE